

April 10, 2023

Puerto Rico Electric Power Authority (PREPA)
P.O. Box 364267
San Juan, Puerto Rico 00936-4267
Attn: Lourdes Lugo

VIA E-MAIL AND POWER ADVOCATE

RE: Clean Flexible Energy, LLC Best and Final Offers

Dear Mrs. Lugo,

We refer to the Power Purchase and Operating Agreements (“PPOAs”) and the Energy Storage Services Agreements (“ESSAs”) between the Puerto Rico Electric Authority (“PREPA”) and Clean Flexible Energy, LLC (“Resource Provider”) dated August 26, 2022.

We also refer to the email, dated April 6, 2023, sent by Philip Rizk from King & Spalding notifying us that, by orders issued April 4th, 2023, the Puerto Rico Energy Bureau (“PREB”) ordered PREPA to require Resource Providers in the Tranche 1 RFP process with approved PPOAs and ESSAs to present their Best and Final Offers (“BFOs”) for PPOA and ESSA pricing.

Please see below our BFOs for the PPOAs and ESSAs relating to the Salinas and Jobos projects.

Project	First-Year Energy Component [\$/MWh]	Interconnection Cost Estimate by LUMA [\$/MWh]	Escalation Rate [%]	LCOE [\$/MWh]
Jobos Solar	99.86	10.8	2%	129.77
Salinas Solar	106.99	4.1	2%	130.27

Project	CPPF [\$/MW-month]	Interconnection Cost Estimate by LUMA [\$/MW-month]	Escalation Rate	LCOS [\$/MW-month]
Jobos BESS	24,717	900	2%	29,069.06
Salinas BESS	23,396	1,200	2%	29,045.23

*LCOE/LCOS were calculated according to PREPA’s formula sent on Oct 5th, 2021.

These figures are slightly higher than those set out in our March 10th, 2023 letter to PREPA due to: higher costs of insurance (based on the latest information we have received), higher interest rates in line with the US Federal Reserve Bank’s most recent rate adjustment and based on higher costs associated with complying with wage and apprenticeship requirements under the Inflation Reduction Act. It is important to



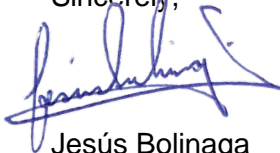
mention that these BFOs assume that the capacity increases requested on March 9th, 2023 letter to PREPA for both Salinas (+150 MW) and Jobos (+10 MW) projects will be granted.

We would like to reiterate our prior request that PREPA extend the deadline for the Closing Date until a date that is after the date on which LUMA is expected to provide the PREPA Interconnection Cost, plus a period of at least 30 days for negotiating an amendment to the PPOAs and ESSAs in the event the “Contracted Cost” differs from the “Estimated Cost.” Our lenders have made clear that they will not finance our projects until the PREPA Interconnection Cost is finalized and the projects have a contractual right to be fully reimbursed for all such costs under the PPOAs and ESSAs. We will not be able to achieve the Closing Date unless we are confident that our lenders will finance our projects immediately upon the occurrence of the Closing Date.

Please be advised that CFE evaluates all four projects mentioned above as a portfolio. As such, we kindly request that the projects are considered as such.

In addition, we hereby kindly request that PREPA terminate the agreement for the Naguabo A and Naguabo B projects. This request is based on the fact that, under current circumstances, the projects are not financially viable.

Sincerely,



Jesús Bolinaga
Clean Flexible Energy
President



GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

VIA EMAIL (ARNALDO.SERRANO@AES.COM; JESUS.BOLINAGA@AES.COM)

June 21, 2023

Clean Flexible Energy, LLC
P. O. Box 1890
Guayama, PR 00785
Attn: Mr. Jesús Bolinaga
Mr. Arnaldo Serrano

RE: PREPA'S REQUEST FOR PROPOSALS NO. 112648, RENEWABLE ENERGY GENERATION & ENERGY STORAGE RESOURCES, TRANCHE 1 OF 6, ISSUED ON FEBRUARY 22, 2021 – TERMINATION NOTICE;

Dear Messrs. Bolinaga and Serrano:

We refer to:

1. the above-captioned request for proposals (as amended, the "**Tranche 1 RFP**");
2. the Power Purchase and Operating Agreement dated August 26, 2022 (the "**PPOA**") between the Puerto Rico Electric Power Authority ("**PREPA**") and Clean Flexible Energy, LLC ("**Naguabo A**");
3. the letter from Naguabo A dated April 10, 2023, informing PREPA of Naguabo A's desire to terminate the PPOA due to the project no longer being financially viable (the "**Termination Letter**");
4. the letter from AES dated June 12, 2023, requesting confirmation from PREPA of the possibility of reverting AES' position on the Termination Letter and bringing back the previously terminated Naguabo A & B PPOAs as BESS projects (the "**June 12 Letter**"); and
5. the letter from PREPA dated June 21, 2023 (the "**June 21 Letter**"), rejecting the option to revert AES' position in the Termination Letter, as requested in the June 12 Letter, due to the three reasons mentioned in the June 21 Letter.

Unless the context otherwise requires, capitalized terms used in this letter shall have the meanings defined in the PPOA.

In accordance with the Termination Letter and the other reasons articulated by PREPA to AES in the June 21 Letter, PREPA hereby acknowledges the termination of the PPOA under Section 2.3(c) (*Initial Effectiveness & Closing Date*). For the avoidance of doubt and in accordance with Section 15.2 (*No Discharge of Obligations*) of the PPOA, termination of the PPOA does not discharge Naguabo A from any outstanding obligations owed by it to PREPA, and any such obligations shall survive this termination. PREPA will return the Bid Security to Naguabo A accordingly.



GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

If you have any other questions, please do not hesitate to contact us.

Sincerely,

PUERTO RICO ELECTRIC POWER AUTHORITY


Francisco Santos Rivera

Chairperson, RFP Evaluation Committee

With copy to:

PREPAT1RFP_AES_PPOA@KSLAW.COM



GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

VIA EMAIL (ARNALDO.SERRANO@AES.COM; JESUS.BOLINAGA@AES.COM)

June 21, 2023

Clean Flexible Energy, LLC
P. O. Box 1890
Guayama, PR 00785
Attn: Mr. Jesús Bolinaga
Mr. Arnaldo Serrano

RE: PREPA'S REQUEST FOR PROPOSALS NO. 112648, RENEWABLE ENERGY GENERATION & ENERGY STORAGE RESOURCES, TRANCHE 1 OF 6, ISSUED ON FEBRUARY 22, 2021 – TERMINATION NOTICE;

Dear Messrs. Bolinaga and Serrano:

We refer to:

1. the above-captioned request for proposals (as amended, the "**Tranche 1 RFP**");
2. the Power Purchase and Operating Agreement dated August 26, 2022 (the "**PPOA**") between the Puerto Rico Electric Power Authority ("**PREPA**") and Clean Flexible Energy, LLC ("**Naguabo B**");
3. the letter from Naguabo B dated April 10, 2023, informing PREPA of Naguabo B's desire to terminate the PPOA due to the project no longer being financially viable (the "**Termination Letter**");
4. the letter from AES dated June 12, 2023, requesting confirmation from PREPA of the possibility of reverting AES' position on the Termination Letter and bringing back the previously terminated Naguabo A & B PPOAs as BESS projects (the "**June 12 Letter**"); and
5. the letter from PREPA dated June 21, 2023 (the "**June 21 Letter**"), rejecting the option to revert AES' position in the Termination Letter, as requested in the June 12 Letter, due to the three reasons mentioned in the June 21 Letter.

Unless the context otherwise requires, capitalized terms used in this letter shall have the meanings defined in the PPOA.

In accordance with the Termination Letter and the other reasons articulated by PREPA to AES in the June 21 Letter, PREPA hereby acknowledges the termination of the PPOA under Section 2.3(c) (*Initial Effectiveness & Closing Date*). For the avoidance of doubt and in accordance with Section 15.2 (*No Discharge of Obligations*) of the PPOA, termination of the PPOA does not discharge Naguabo B from any outstanding obligations owed by it to PREPA, and any such obligations shall survive this termination. PREPA will return the Bid Security to Naguabo B accordingly.

If you have any other questions, please do not hesitate to contact us.



GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

Sincerely,

PUERTO RICO ELECTRIC POWER AUTHORITY

Francisco Santos Rivera

Chairperson, RFP Evaluation Committee

With copy to:

PREPAT1RFP_AES_PPOA@KSLAW.COM



GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

VIA EMAIL (ORUIZ@DIVERXIA.NET)

June 21, 2023

Diversys Solar, LLC
252 Ponce de Leon Avenue, Citi Tower,
12th Floor, San Juan, PR, 00918
Attn: Ms. Marta López-Pena González

RE: PREPA'S REQUEST FOR PROPOSALS NO. 112648, RENEWABLE ENERGY GENERATION & ENERGY STORAGE RESOURCES, TRANCHE 1 OF 6, ISSUED ON FEBRUARY 22, 2021 – TERMINATION LETTER;

Dear Marta,

We refer to:

1. the above-captioned request for proposals (as amended, the "**Tranche 1 RFP**");
2. the Power Purchase and Operating Agreement dated August 4, 2022 (the "**PPOA**") between the Puerto Rico Electric Power Authority ("**PREPA**") and Diversys Solar, LLC ("**Diversys**"); and
3. the letter from Diversys dated April 19, 2023, terminating the PPOA per Section 2.3(c) of the PPOA (the "**Termination Letter**").

Unless the context otherwise requires, capitalized terms used in this letter shall have the meanings defined in the PPOA.

In accordance with the Termination Letter, PREPA hereby acknowledges the termination of the PPOA under Section 2.3(c) (Initial Effectiveness & Closing Date) and confirms that PREPA will return the Bid Security to Diversys accordingly. For the avoidance of doubt and in accordance with Section 15.2 (No Discharge of Obligations) of the PPOA, termination of the PPOA does not discharge Diversys from any outstanding obligations owed by it to PREPA, and any such obligations shall survive this termination.

If you have any other questions, please do not hesitate to contact us.



GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

Sincerely,

PUERTO RICO ELECTRIC POWER AUTHORITY


Francisco Santos Rivera

Chairperson, RFP Evaluation Committee

With copy to:

[PREPAT1RFP DIVERXIA PPOA](#)



GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

VIA EMAIL (ORUIZ@DIVERXIA.NET)

June 21, 2023

Enerxia Solar, LLC
252 Ponce de Leon Avenue, Citi Tower,
12th Floor, San Juan, PR, 00918
Attn: Ms. Marta López-Pena González

RE: PREPA'S REQUEST FOR PROPOSALS NO. 112648, RENEWABLE ENERGY GENERATION & ENERGY STORAGE RESOURCES, TRANCHE 1 OF 6, ISSUED ON FEBRUARY 22, 2021 – TERMINATION LETTER;

Dear Marta,

We refer to:

1. the above-captioned request for proposals (as amended, the "**Tranche 1 RFP**");
2. the Power Purchase and Operating Agreement dated August 4, 2022 (the "**PPOA**") between the Puerto Rico Electric Power Authority ("**PREPA**") and Enerxia Solar, LLC ("**Enerxia**"); and
3. the letter from Enerxia dated April 19, 2023, terminating the PPOA per Section 2.3(c) of the PPOA (the "**Termination Letter**").

Unless the context otherwise requires, capitalized terms used in this letter shall have the meanings defined in the PPOA.

In accordance with the Termination Letter, PREPA hereby acknowledges the termination of the PPOA under Section 2.3(c) (Initial Effectiveness & Closing Date) and confirms that PREPA will return the Bid Security to Enerxia accordingly. For the avoidance of doubt and in accordance with Section 15.2 (No Discharge of Obligations) of the PPOA, termination of the PPOA does not discharge Enerxia from any outstanding obligations owed by it to PREPA, and any such obligations shall survive this termination.

If you have any other questions, please do not hesitate to contact us.



GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

Sincerely,

PUERTO RICO ELECTRIC POWER AUTHORITY

Francisco Santos Rivera

Chairperson, RFP Evaluation Committee

With copy to:

[PREPAT1RFP DIVERXIA PPOA](#)



GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

VIA EMAIL (franz@nsdpartners.com)

June 21, 2023

Solarblue Bemoga, LLC
2295 S. Hiawassee Road, Suite 306
Orlando, FL 32835
Attn: Mr. Franz S. Hanning

RE: PREPA'S REQUEST FOR PROPOSALS NO. 112648, RENEWABLE ENERGY GENERATION & ENERGY STORAGE RESOURCES, TRANCHE 1 OF 6, ISSUED ON FEBRUARY 22, 2021 – TERMINATION NOTICE;

Dear Mr. Hanning

We refer to:

1. the above-captioned request for proposals (as amended, the "**Tranche 1 RFP**");
2. the Power Purchase and Operating Agreement dated August 2, 2022 (the "**PPOA**") between the Puerto Rico Electric Power Authority ("**PREPA**") and Solarblue Bemoga, LLC ("**Solarblue**");
3. the letter from Solarblue dated March 30, 2023, discussing an amendment to the PPOA to allow for Solarblue to construct the interconnection facility at an alternate site and extend the closing date an additional ninety (90) days;
4. an email from PREPA dated May 3, 2023, requesting from Solarblue an update regarding the status of land negotiations and any evidence of site control; and
5. a letter from PREPA dated May 12, 2023, informing Solarblue that PREPA will not execute an amendment or close the PPOA without Solarblue providing evidence of land ownership by May 19, 2023.

Unless the context otherwise requires, capitalized terms used in this letter shall have the meanings defined in the PPOA.

In accordance with the terms of the PPOA, specifically Article 15.1(d) (Termination Date), the PPOA has automatically terminated due to Solarblue's inability to satisfy the Conditions Precedent under Appendix C (Conditions Precedent) of the PPOA. Thus, PREPA writes to inform Solarblue of this termination under Section 15.1(d) (Termination Date) and will consequently return the Bid Security to Solarblue. For the avoidance of doubt and in accordance with Section 15.2 (No Discharge of Obligations) of the PPOA, termination of the PPOA does not discharge Solarblue from any outstanding obligations owed by it to PREPA, and any such obligations shall survive this termination.

If you have any other questions, please do not hesitate to contact us.



GOVERNMENT OF PUERTO RICO
PUERTO RICO ELECTRIC POWER AUTHORITY

Sincerely,

PUERTO RICO ELECTRIC POWER AUTHORITY

Francisco Santos Rivera

Chairperson, RFP Evaluation Committee

With copy to:

[PREPAT1RFP SOLARBLUE PPOA@KSLAW.COM](mailto:PREPAT1RFP_SOLARBLUE_PPOA@KSLAW.COM)